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SUBJECT: WAEMU WANTS THE TRADE AND INVESTMENT AGREEMENT (TIFA) TO  
PLAY A BIGGER ROLE

¶1. Summary: West Africa Economic and Monetary Union (WAEMU) commerce ministers met November 11-12 in Ouagadougou to discuss the U.S.-WAEMU Trade and Investment Agreement (TIFA). Member States adopted a work plan that would enhance WAEMU members' ability to benefit from African Growth and Opportunity Act (AGOA) preferences and to improve U.S.-WAEMU economic engagement on bilateral, regional and multilateral trade issues. The TIFA work plan provides a framework in which trade, investment, intellectual property and other issues can be addressed and resolved promptly and provides a valuable tool to better understand and address trade capacity needs in West Africa. Economic and political sections, as well as agency representatives from Commerce, Agriculture, USAID, Peace Corps, and MCC in U.S. Missions in WAEMU member countries may find the TIFA framework and work plan useful in helping advance their trade, development and investment objectives. End Summary

¶2. West Africa Economic and Monetary Union (WAEMU) Member States' Commerce Ministers met in Ouagadougou from November 11-12 to discuss the U.S.-WAEMU Trade and Investment Agreement (TIFA) originally signed in 2002. The objectives of the meeting were to identify concrete measures, in the form of a work plan that could be adopted, to enhance WAEMU members' ability to benefit from African Growth and Opportunity Act (AGOA) preferences and to improve the trade and investment relationship with the United States. Laurie-Ann Agama, Special Trade Representative for the Africa Region, Robert Hanson, Regional Agriculture Attache and Tom Herlehy, Chief of Party of the USAID-funded West African Trade Hub represented the United States at the meeting. At the conclusion of two days of expert discussions with WAEMU member countries, an Action Plan was adopted at by the ministers on November 13, at a session co-chaired by Ambassador Jackson. A translation of this action plan is included below.

¶3. During the discussions, experts from respective ministries of commerce and agriculture from each of the eight member countries raised a number of constraints that prevented them from taking advantage of AGOA preferences. These include a lack of economies of scale to meet export orders, lack of export financing, lack of investment, lack and high cost of freight, difficulty obtaining business visas, difficulties working in English and challenges meeting U.S. sanitary and phyto-sanitary (SPS) requirements. Cote d'Ivoire highlighted that it remains ineligible for AGOA preferences and requested that its status be reconsidered. The U.S. delegation presented a draft work plan - developed with interagency input - which discussed broad measures and initiatives intended to revitalize economic growth, investment and trade among WAEMU member countries and the United States. This draft plan was modified based on input from WAEMU member country experts, and presented to the Minister's meeting on November 13.

¶4. Ambassador Jackson co-chaired the Ministers meeting together with the Minister of Commerce from Cote d'Ivoire. The WAEMU Commissioner presided over the agenda. While the expert-level discussions did not focus on cotton issues, (neither on U.S. domestic support nor the cotton development initiative in the WTO

trade negotiations), during the November 13th Ministers meeting, Ministers of Commerce and Trade from Senegal and Burkina Faso objected quite vehemently that there was not enough language on cotton in the Special Report. Specifically, the Senegalese and Burkina Ministers requested that the Special Report include U.S. commitments on reducing domestic support and increasing development support for African farmers. Ambassador Jackson pointed out that the United States understands cotton is an important issue and is working on a solution through the DOHA development round. Since cotton was not a major point of the experts discussions, the WAEMU Commissioner quickly concluded the debate by proposing that the U.S. delegation work with his staff to develop suitable language. The text beginning in Para six is a translation of the final agreed-upon Special Report.

15. Economic and political sections, as well as agency representatives from Commerce, Agriculture, USAID, Peace Corps, and MCC in U.S. Missions in WAEMU member countries may find the TIFA framework and work plan outlined below useful in helping advance their trade, development and investment objectives. The TIFA provides a formal mechanism for regular consultations on specific trade and investment matters, negotiating agreements where appropriate, and identifying strategies to increase trade and investment flows. The TIFA helps strengthen economic engagement between WAEMU countries and the United States on bilateral, regional and multilateral trade issues, could enhance the commercial potential of West Africa and help to fulfill the promise of the African Growth and Opportunity Act (AGOA) in the region. The TIFA provides a framework in which trade, investment, intellectual property, and other issues can be addressed and resolved promptly and provides a valuable opportunity to better understand and address trade capacity needs in West Africa.

16. Begin Unofficial Translation of UEMOA TIFA Special Report  
November 10-12, 2008:

An American Delegation was invited by the WAEMU Commission to participate in the preparatory meeting for the WAEMU member States Commerce Ministerial Meeting. The meeting was held on November 10-12, 2008 in Ouagadougou. The American Delegation was composed of:

- Mrs. Laurie Ann C. AGAMA, Director for African Affairs, Office of the U.S. Trade Representative;
- Mr. Robert HANSON, Agricultural Attach, U.S. Embassy Dakar;
- Mr. Tom HERLEHY, Team Leader of the West Africa Trade Hub, Accra Ghana.

The purpose of the meeting was to propose a set of measures in a work plan for activating the United States/WAEMU Trade and Investment Agreement (TIFA).

During the meeting, the American Delegation made a presentation on the facilitations and opportunities offered by the African Growth and Opportunity Act (AGOA) and on its achievements. The Delegation also introduced the main areas of the work plan that would activate the TIFA.

Following these presentations, the WAEMU delegation raised concerns related to:

- Supply capacity;
- Companies' access to credits;
- Development of joint ventures;
- High freight costs;
- Business visas;
- Market development;
- Eligibility for AGOA ;
- Language barriers ;
- Compliance with standards and SPS measures.

The following WAEMU member recommendations were made based on the discussions with the American Delegation:

- Advocacy for maintaining and consolidating the achievements of AGOA despite the current international crisis;
- Advocacy for Cote d'Ivoire to become eligible for AGOA given the progress made by this country in solving its political crisis.

- Advocacy for the continuous support for the development of the cotton/textile sector in WAEMU member states.

Based on discussions, the main issues included in the work plan are the following:

1. Strengthening the cooperation between the United States and WAEMU in the World Trade Organization (WTO):

- further collaboration in multilateral trade negotiations;
- further cooperation on various cotton trade and development aspects,

2. Development and implementation of an AGOA regional and national strategic plan in order to extend trade, ensure commercial promotion and diversify export products in the region;

3. Strengthen capacity in regulations and technical standards, including sanitary and phytosanitary measures in order to comply with international standards, especially American norms;

4. Establish mechanisms for improving the links between American-sponsored capacity building and development programs in WAEMU States and the Global Africa Agricultural Development Program ;

5. Identify and eliminate customs and non custom barriers in order to increase intraregional and international trade.

6. Improve the investment and trade environment:

- a. Pursue the improvement of the business environment;

- b. Increase agricultural productivity through increased value-adding with the promotion of agri-processing;

- c. Facilitate the resolution of trade disputes;

- d. Encourage increased participation of small and medium enterprises in trade and investment and encourage participation in fairs and exhibits;

- e. Improve access to bank financing for the private sector in support of trade activities;

- f. Improve the protection and application of intellectual property rights;

7. Strengthening institutional capacity for facilitating economic and regional integration:

- a. Develop trade infrastructure such as roads, railways, and energy;

- b. Take appropriate level measures for eliminating harassment on roads in order to facilitate trade;

- c. Improve port operations and customs procedures.

8. Promotion of and compliance with international labor norms.

Overall, the work plan aims at facilitating access of WAEMU commodities to the U.S. market and creates conditions for increased U.S. investment in the WAEMU region.

For the implementation of this plan, the two parties will take the appropriate measures which will encourage and facilitate trade in goods and services, and ensure favorable conditions for long-term investment, and the development and diversification of traded goods among their respective citizens and companies.

USTR, other U.S. agencies, and the WAEMU Commission will take the necessary steps for the application of the work plan. END  
TRANSLATION.

JACKSON